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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA
SACRAMENTO DIVISION

In re:

ZACKY FARMS, LLC, a
California limited liability
company,

Debtor-In-Possession.

CASE NO. 12-37971-B-11

DCN: FWP-4

Date: October 11, 2012
Time: 1:30 p.m.
Courtroom: 32
501 I Street, 6th Floor
Sacramento, CA

**ORDER AUTHORIZING DEBTOR TO (A) MAINTAIN EXISTING BANK
ACCOUNTS AND CONTINUE USE OF EXISTING CASH MANAGEMENT SYSTEM,
(B) CONTINUE USE OF EXISTING BUSINESS FORMS, AND (C) CONTINUE
EXISTING INVESTMENT PRACTICES**

The motion of Zacky Farms, LLC, Debtor and Debtor in Possession's (the "Debtor") seeking entry of an order authorizing debtor to (a) maintain existing bank accounts and continue use of existing cash management system, (b) continue use of existing business forms, and (c) continue existing investment practices (the "Motion"), came on for hearing on October 11, 2012, at 1:30 p.m., in Courtroom 32 of the United States Bankruptcy Court for the Eastern District of California. The Debtor appeared through its counsel, Thomas A. Willoughby. Other appearances were noted on the record. All capitalized terms used but not defined herein shall have the meanings given to them in the Motion.

The Court has considered the Motion, the Declaration of Keith F. Cooper in Support of First Day Motions and Applications, and the matters reflected in the record of the hearing held

ORDER ALLOWING DEBTOR TO
MAINTAIN CURRENT BANK ACCOUNTS

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October 11, 2012
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EASTERN DISTRICT OF CALIFORNIA
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1 on the Motion on October 11, 2012. The Court having found that it has jurisdiction over this
2 proceeding; that this is a core proceeding; that notice of the Motion has been given to the Office
3 of the United States Trustee, the twenty largest unsecured creditors, all secured creditors, the
4 owners of the Debtor and any applicable governmental entities; that no further notice is
5 necessary; that the relief sought in the Motion is in the best interests of the Debtor, its estate, and
6 its creditors; and that good and sufficient cause exists for such relief.

7 Accordingly, it is hereby ORDERED as follows:

8 1. The Motion (docket no. 21) is GRANTED, on an interim basis to the extent set
9 forth herein, pending the conclusion of a final hearing on the Motion.

10 2. The Debtor is authorized to: (a) designate, maintain, and continue to use any and
11 all existing bank accounts with the same account numbers, including, without limitation, the
12 accounts identified in the Motion; (b) treat the bank accounts for all purposes as accounts of the
13 Debtor as debtor-in-possession; and (c) continue to use its existing cash management system.

14 3. Each of the Debtor's existing depository and disbursement banks (collectively, the
15 "Banks") is authorized to debit the Debtor's accounts in the ordinary course of business without
16 the need for further order of this Court for: (i) all checks drawn on the Debtor's accounts which
17 are cashed at such Bank's counters or exchanged for cashier's checks by the payees thereof prior
18 to the Commencement Date; (ii) all checks or other items deposited in one of Debtor's accounts
19 with such Bank prior to the Commencement Date which have been dishonored or returned unpaid
20 for any reason, together with any fees and costs in connection therewith, to the same extent the
21 Debtor was responsible for such items prior to the Commencement Date; and (iii) all undisputed
22 prepetition amounts outstanding as of the date hereof, if any, owed to any Bank as service charges
23 for the maintenance of the Cash Management System.

24 4. Any of the Debtor's Banks may rely on the representations of the Debtor with
25 respect to whether any check or other payment order drawn or issued by the Debtor prior to the
26 Commencement Date should be honored pursuant to this or any other order of this Court without
27 any duty of further inquiry and without liability for following the Debtor's instructions.

28 5. That (i) those certain existing deposit agreements between the Debtor and its

1 Banks shall continue to govern the post-petition cash management relationship between the
2 Debtor and the Banks, and that all of the provisions of such agreements, including, without
3 limitation, the termination and fee provisions, shall remain in full force and effect, and (ii) the
4 Debtor and the Banks may, without further Order of this Court, agree to and implement changes
5 to the cash management systems and procedures in the ordinary course of business, including,
6 without limitation, the opening and closing of bank accounts.

7 6. Nothing contained herein shall prevent the Debtor from opening any additional
8 bank accounts or closing any existing bank account(s) as it may deem necessary and appropriate,
9 and the Banks are authorized to honor the Debtor's request to open or close, as the case may be,
10 such bank accounts or additional bank accounts, *provided however*, that any new account shall be
11 with a bank that is insured with the Federal Deposit Insurance Corporation and that is organized
12 under the laws of the United States or any State thereof.

13 7. Any and all accounts opened by the Debtor on or after the Petition Date at any
14 Bank shall, for all purposes under this Order, similarly be subject to the rights and obligations of
15 this Order.

16 8. The Debtor and the Banks are hereby authorized to continue to perform pursuant
17 to the terms of any pre-petition agreements that may exist between them, except to the extent
18 otherwise directed by the terms of this Order. The parties to such agreements shall continue to
19 enjoy the rights and remedies afforded to them under such agreements, except to the extent
20 modified by the terms of this Order or by operation of the Bankruptcy Code.

21 9. The Debtor is authorized to continue to use its existing business forms and
22 stationery without alternation or change.

23 10. The Debtor is authorized to continue its current investment practices as described
24 in the Motion. The Debtor is not required to obtain a bond from the Banks pursuant to section
25 345(b) of the Bankruptcy Code.

26 11. Neither this Order, nor the Debtor's payment of any amounts authorized by this
27 Order, shall: (i) result in any assumption of any executory contract by the Debtor; (ii) result in a
28 commitment to continue any plan, program, or policy of the Debtor; or (iii) impose any

1 administrative, pre-petition, or post-petition liabilities upon the Debtor.

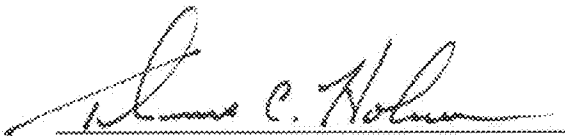
2 12. To the extent the fourteen day stay of Bankruptcy Rule 6004(h) may be construed
3 to apply to the subject matter of this Order, such stay is hereby waived.

4 13. The Court shall retain jurisdiction to hear and determine all matters arising from
5 implementation of this Order.

6 14. Counsel to the Debtor is directed to serve a copy of this Order on all parties on the
7 Limited Service List as defined in the Debtor's Emergency Motion For Order Establishing Notice
8 and Administrative Procedures on file herein within three (3) days of the entry of this Order and
9 to file a certificate of service with the Clerk of the Court.

10 15. A final hearing on the Motion shall be held on October 24, 2012, at 1:30 p.m.

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16 Dated: October 11, 2012

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20 Thomas C. Holman
21 United States Bankruptcy Judge
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